Inter service IS
The Journal of the American Logistics Association
FALL 1985

Special Feature:
ALA's Military Broker Directory

Cornucopia Unbound:
A Potpourri Of New Products

Also in this Issue:

- **Health & Beauty Aids**
- **Consumer Electronics**
- **EDI Update**

PUBLISHED BY THE AMERICAN LOGISTICS ASSOCIATION

Interservice

THE QUARTERLY JOURNAL FOR THE INTERNATIONAL AND MILITARY MARKETING PROFESSION

PUBLISHER AND EXECUTIVE VICE PRESIDENT
A. Kolbet Schrichte
DEPUTY EXECUTIVE VICE PRESIDENT
Paul Pierpoint
DIRECTOR OF COMMUNICATIONS AND PUBLISHING
Ann Lowell Allen
DIRECTOR OF INFORMATION AND RESEARCH/EDITOR, *INTERSERVICE*
Alan Goldstein
ADVERTISING SALES MANAGER
Judith Korn Oppenheimer
CONFERENCES MANAGER
Barbara Vogt
EDUCATION AND TRAINING MANAGER
Carol Bok
RESEARCH MANAGER
Gregory Gilbert
MEMBERSHIP RECORDS MANAGER
Phil Mendelson
MANAGEMENT INFORMATION SYSTEMS
Jean Pryce
ADMINISTRATIVE SECRETARY
Jeanne Ulrich
MEETINGS SECRETARY
Helen Frazer
MEMBERSHIP SECRETARY
Lori Ulrich
ADMINISTRATIVE ASSISTANT
Tonya A. Young
FINANCE
Teresa Moller
ART DIRECTOR
Burkey Belser, Inc.

Interservice (ISSN 0273-7485) Published quarterly by the American Logistics Association, 1133 Fifteenth Street, N.W., Suite 500, Washington, D.C. 20005. Telephone: (202) 466-2520. Telex: 6502459439. Second-class postage paid at Washington, D.C. and additional mailing offices. Statements of fact and opinion are the responsibility of the authors alone and are not necessarily those of the ALA. Unsolicited manuscripts should contain a self-addressed envelope. Responsibility is not assumed for the return of unsolicited material. Copyright © 1985 by the American Logistics Association. Materials may not be reproduced without written permission.

Subscription rate for members is $20, which is included in the dues. U.S. subscription rate to non-members: $20, one year; foreign subscribers add $5. Single copies (current year): $4 (U.S.); $5 (foreign). Back copies: $5 (U.S.); $6 (foreign). Subscribers are requested to notify promptly of any address change. Advertising rates on application. POSTMASTER: Send address changes to American Logistics Association, 1133 Fifteenth Street, N.W., Suite 500, Washington, D.C. 20005.

Printed in the U.S.A. by Byrd Press, Richmond, VA. Graphic design and production by Burkey Belser, Inc., Washington, D.C.

VOLUME 5, NUMBER 4 FALL 1985

EDITORIAL

ALA VIEWPOINT 11
BY A. KOLBET SCHRICHTE

NEW PRODUCTS MARKETING

CORNUCOPIA UNBOUND 27
BY JOE COLEMAN
Why new products add pressure to marketing and merchandising.

CONSUMER ELECTRONICS MARKETING

THE EYES AND EARS HAVE IT 35
BY MARGARET LEROUX
The hottest items still cater to audio and video pleasures.

CLUB MANAGEMENT & OPERATIONS

STRATEGIC PLANNING FOR CLUBS 40
BY KATHY BOYLE
How club managers can create a business plan for survival.

LOGISTICS MANAGEMENT

THE REDISCOVERY OF LOGISTICS 46
BY GRAHAM SHARMAN
Top management takes logistics performance *very* seriously.

BUSINESS AUTOMATION & MANAGEMENT

EDI: MOVING INTO THE 21ST CENTURY 58
BY SANDY EVANS
Industry's great leap forward with EDI and UCS continues.

HEALTH & BEAUTY AIDS MARKETING

MORE THAN SKIN DEEP 64
BY MARIE KRAKOW
An in-depth report on the latest HBA marketing trends.

SEAFOOD MARKETING

GETTING HOOKED ON SURIMI 82
BY EVELYN ZAMULA
These "restructured seafoods" are building a market niche.

FACTS & FIGURES

ALA'S MILITARY BROKER DIRECTORY 89
An updated, one-of-a-kind marketing information resource.

DEPARTMENTS

What's Breaking... 12
The Acronym Blizzard 14
The Association 19
Professional Meetings Calendar 21
The Supply Bulletin Index/ALA Chapters 118

COVER ILLUSTRATION BY JOHN PACK

More Than Skin Deep

BY MARIE KRAKOW

A report on the latest trends in health and beauty aids marketing.

There's still sparkle in unit and dollar volume increases.

Sales of health and beauty aid (HBA) products lost the razzle-dazzle growth they enjoyed a few years ago, but there's still some sparkle in the category's unit and dollar volume increases for the first quarter of 1985.

The latest available figures from Towne-Oller & Associates, which measures movement of HBA items from warehouses to retail food stores, shows that the category grew by 3.5 percent in unit volume and 8.1 percent in dollar volume compared to the same period last year.

Selling Areas-Marketing, Inc. (SAMI), which measures warehouse movement of HBA items to drug stores and mass outlets as well as to food stores, registered a lower 1.6 percent unit volume increase and a 7.6 percent dollar volume increase, according to Alan B. Miller, Jr., vp, sales-services.

By either of these indices, it is clear that HBA as a category has lost a lot of ground from its high-water mark of 16.5 percent growth in 1981. Yet the outlook for HBA sales, particularly for low-priced products and high-priced prestige products, is brighter than it might appear at first glance.

The news may not be so good for HBA items in the mid-price range, however, according to Diana K. Temple, research analyst at Salomon Brothers, Inc., New York.

The Rich Get Rich . . . And The Poor Get Poorer

According to Ms. Temple, both lower-income and higher-income households are on the rise, while the middle class occupies a wider plateau and is beset by dwindling purchasing power.

"The result of this polarization of purchasing power is a bimodal distribution of growth within the cosmetics industry – that is, the success in upscale brands, the waning of mid-priced brand franchises and the surge of low-priced products," she explained.

"In cosmetics, lower-priced brands such as Noxell's Cover Girl have enjoyed 20 percent growth, while the two industry leaders, Avon and Revlon, have found it difficult to post even 5 percent gains," Ms. Temple noted. At the same time upscale skin care lines experienced strong gains in department store sales.

Although there are currently no reliable statistics available to prove this theory as it applies to sales in military commissaries and exchanges, a number of military sales directors from HBA companies described situations that seem to support Ms. Temple's theory.

For instance, at Revlon Government Sales, the independent division of Revlon which sells exclusively to the military, director of retail promotions Carol Healy

Marie Krakow is a Princeton Junction, NJ-based freelance writer. She is a former business publications editor who has written widely about food and non-food retailing subjects.

ILLUSTRATION BY ROBYN EWING

AT EASE MEN!

OLD SPICE® Stick Deodorant controls odor for twenty-four hours.
OLD SPICE Solid Anti-perspirant controls odor and wetness for twenty-four hours.
So now you can be at ease, at attention.

SHULTON

© 1985 Shulton, Inc.

noted a 17 percent growth in the exchanges for Revlon's Ultima II prestige skin care line, compared to rather "flat" sales in the commissaries for mid-priced lines like Moondrops, which are sold under the Revlon name.

At American Cyanamid, director of military sales James N. Anagnost said the company enjoyed increases in its prestige Jacqueline Cochran fragrances sold in exchanges this year, but not in its mid-priced Breck product line or even in its familiar masculine Old Spice aftershave line which is popular in the military.

However, the military sales director at one major company, which Ms. Temple said was going through a "difficult environment" due to below-average growth in mid-priced products, objected: "This bimodal theory is not true at all in the military. All our products are pretty much in the mid-price category and we're doing very well in both classes of trade." He asked not to be identified, but claimed that his firm's military sales growth in dollars was between 10 percent and 15 percent this year for its popular line of mid-priced hand lotions, cold creams, and cotton-tipped swabs.

Low prices on HBA items continue to be a big drawing card for the category in military stores. Compared to the high markups on HBA items in civilian stores, the military's mandate in the commissaries of selling at cost plus a 5 percent surcharge gives even mid-priced lines a competitive advantage comparable to "loss leaders" featured in civilian drug stores and outlets.

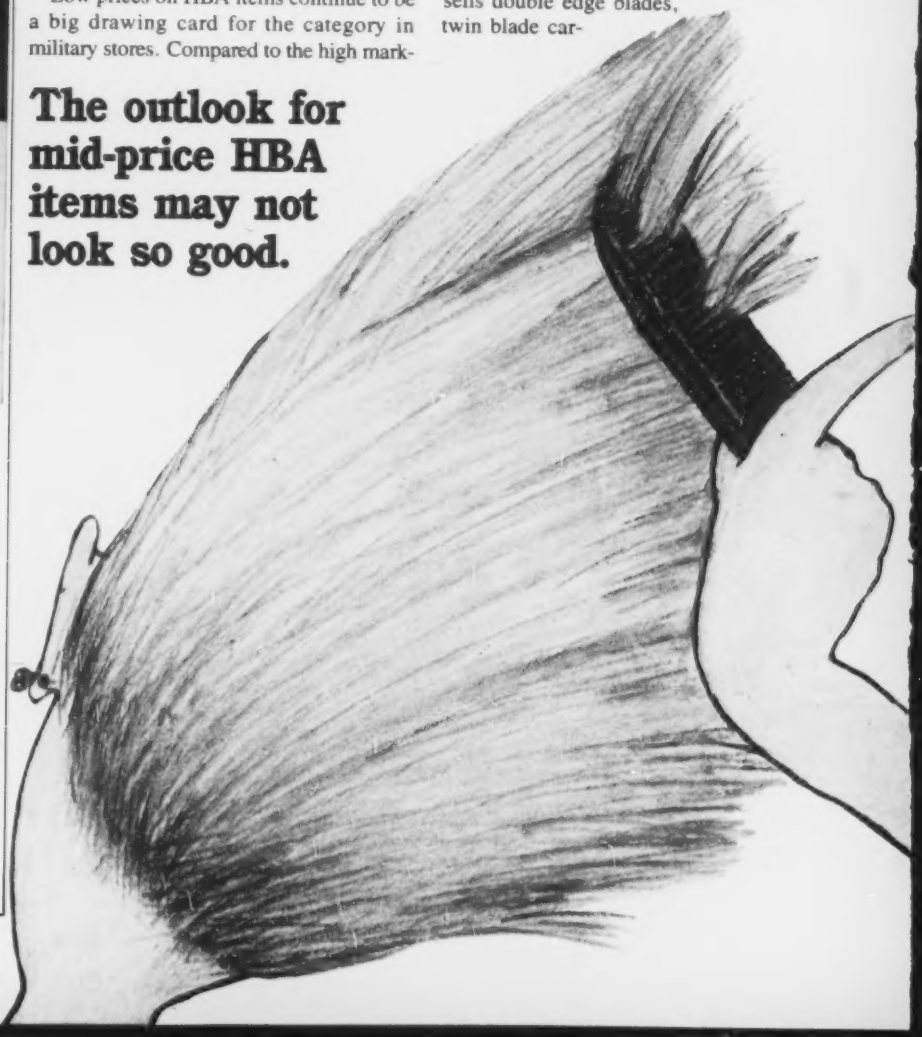
HBA Growth Leaders For 1985

Hair styling products, bolstered by the spectacular success of mousse foams, are the leading HBA growth category as measured by Towne-Oller & Associates for the 12 months ended in March 1985, according to Towne-Oller's manager of sales analysis, Marianne Sommer. The category increased by a spectacular 374.8 percent in that period.

Other major HBA growth categories over the same 12 months include: eye make-up kits, 243.3 percent; menstrual analgesics, 185.8 percent; arthritic analgesics, 144.1 percent; shave preparations, 108.9 percent; and lice treatments, 101.2 percent.

Disposable razors are doing well in military sales. One company in this line is American Safety Razor. Besides its national brands (Flicker, Gem, and Personna), it sells double edge blades, twin blade car-

The outlook for mid-price HBA items may not look so good.



tridges, injector blades, auto adjusting cartridges, and pivoting twin blade disposables to exchanges, all under the AAFES private label, according to William Robbins, director of private label sales and marketing.

Mr. Robbins adds that his company is also currently selling twin blade cartridges, auto adjusting cartridges, and pivoting twin blade disposables to NAVRESSO under the Navy Exchange brand program. He says that two additional items—double edge blades and fixed head disposable razors—are being added to Navy's assortment in September 1985.

Shelf Space Problems

As a category, HBA is marked by a dizzying array of new product entries, sometimes more than 400 in a single year. In the military resale market, which has frustratingly limited shelf space to begin with to suit most manufacturers, this poses some thorny stock selection problems.

The military frequently uses data from Towne-Oller and SAMI, both of which track warehouse movement, as well as the syndicated audits from the A.C. Nielsen Co., which track retail movement of HBA items in food, drug, and mass outlets.

Military emphasis is on picking only those HBA products with the highest market share as well as appropriate pricing and promotion. Commissaries, for example, won't handle high-priced items like prestige skin care or fragrance products.

In a category swollen with more than 1,200 shampoo products alone, the military has little inclination to stock any but the best selling products in a given line.

This sometimes rankles HBA manufacturers like Neal A. Harris, Jr., director of military and broker sales for Johnson Products Co., which makes hair care products for blacks.

Over the past year, Johnson Products has increased its business by an impressive 300 percent with the commissaries, doing especially well overseas. Admittedly this 300 percent growth came from a low base. Overall, the company experienced about a 2 percent to 3 percent growth rate in military sales, due largely to inventory cutbacks by the exchanges.

HBA as a category has fallen from its high-water mark of growth in 1981.

HBA Growth Categories

$ Volume Increase Of 20% Or More

12 Months Ending March 1985

	1st Qtr Increase	12 Mo Increase
Analgesics—Arthritic	+146.1%	+144.1%
Menstrual	+230.7	+185.8
Baby Baths	+19.3	+20.0
Bubble Baths—Dry	+36.7	+23.6
Calamine Products	+27.4	+23.5
Contact Lens Preparations	+30.9	+32.3
Contact Lens Preps—Soft	+37.4	+40.7
Ear Medications	+17.6	+22.3
Elastic Bandages & Braces	+113.2	+88.8
Eye Makeup Products	+12.9	+25.2
Eye Liners	+51.3	+73.4
Eye Shadows	+3.1	+20.1
Eye Makeup Kits	−17.8	+243.3
Mascara	+12.7	+20.2
Mascara Removers	+23.8	+36.1
Face Makeups	+25.0	+33.6
Fragrances—Women	+53.4	+59.2
Hair Styling Products	+197.3	+374.8
Implements	+17.3	+28.6
Lice Treatments	+33.4	+101.2
Lipsticks	+104.1	+25.2
Nail Polishes	+23.0	+21.3
Pregnancy Test	+47.7	+36.3
Red. Aids Diet Meal Replace.	−12.4	+72.4
Shave Preps—Tubes & Cups	+203.4	+108.9
Stimulants	+23.8	+26.4

Source: Towne-Oller & Associates.

"One of the problems we have is that in spite of the $385 million ethnic hair care market, the military still has a non-professional attitude about the product," says Mr. Harris. "Even though our company and three or four others in the field do upwards of $40 million a year in sales, we still have to go to them and prove that we belong on the military shelf, which is highly insulting.

"Even when you use Towne-Oller or A.C. Nielsen data, you still have to go through an attitudinal problem. Many times you go on a military base and they say 'We'll take just your best item or your fastest moving item.' They don't understand that if black patrons buy a curl product, they need a moisturizer, an activator, and a shampoo with it."

Limiting the shelf stock in this way does not give black military patrons the choice of the products they use, Mr. Harris maintains.

A military sales manager at another HBA manufacturer complained that despite the popularity of mousse products in the hair styling category, the Army and Air Force Exchange Service (AAFES) hasn't approved his company's mousse product for its stock assortment yet except for one-time buys in the exchange regions.

Four of the five exchange regions that took the product on a one-time buy sold out and one came back for more, he claims, yet headquarters AAFES hasn't approved it, even though it's doing "exceptionally well" in the commissaries. "Sometimes I don't know *how* the military makes its stock selection decisions," he sighed.

Trends And New Entries

Mousse is far and away the hottest-selling new HBA item in military commissaries and exchanges, just as it is in the civilian sector.

Developed and introduced as Freehold Mousse by French-based L'Oreal, this copolymer hair styling foam which launched a $150 million category was itself launched in a rather intriguing way.

L'Oreal's American subsidiary, Cosmair, began quietly buying up the existing European supply of customized aerosol cans two years ago. When L'Oreal introduced Freehold Mousse, it got a six-month head start on its competitors; rival firms had to replenish this can supply before they could package—and introduce—their own versions of the product.

Mousse is by far and away the best-selling new HBA item.

In the toothpaste category, the best selling items are toothpaste gels and toothpastes in pump dispensers. Other new items expected to be hot sellers in the military this year will be the plaque-fighting and tartar-fighting toothpastes being introduced by Colgate Palmolive and Procter & Gamble respectively.

Colgate will be first to introduce its plaque-fighting entry, Dentagard, to the military, according to George Cominskie, military product manager.

He attributes his company's recent success to Colgate Palmolive's also being first to introduce a gel and a pump dispenser. Colgate toothpaste advanced 57 percent between 1980-84 at a time when the toothpaste category overall grew 28 percent, he noted.

In fact, the champagne corks were popping at Colgate Palmolive when SAMI four-week share figures for March were released. For the first time in 28 years, Colgate toothpaste beat its arch-rival, Procter & Gamble's Crest, as the number-one brand in 37 markets.

In the skin care category, there is an industry trend toward therapeutic or "treatment" products which make scientific claims. One analyst called them the "fix and repair approach to aging." These types of products are also becoming popular in the military, at least in exchanges where prestige lines are sold.

Health Care Share Trends

By $ Volume	1st Qtr '84	1st Qtr '85	% Change
Analgesics Non-Efferv.	29.6%	29.4%	+10.1%
Sinus Analgesics	2.1	2.0	+7.1
Asthmatic Remedies	0.5	0.6	+18.3
Cold Caps., Liq. & Tabs.	15.9	16.7	+16.3
External Analgesics	2.1	1.9	−2.2
Cough Medications	5.4	5.8	+19.6
Nasal Sprays	2.8	3.0	+15.0
All Other Cold Medicines	9.8	9.9	+12.2
Sore Throat Remedies	4.5	4.7	+14.7
Hemorrhoidal Preps.	1.1	1.0	+6.3
Laxatives	4.3	4.1	+5.8
Upset Stomach Remedies	10.3	9.9	+6.2
Vitamins & Tonics	11.6	10.9	+4.0
Total Health Care (% of Total HBA's)	**33.8**	**34.6**	**+10.5**
Total Health & Beauty Aids		**100.0%**	**+8.1**

Source: Towne-Oller & Associates

Cosmetic Share Trends

By $ Volume	1st Qtr '84	1st Qtr '85	% Change
Colognes–Men	4.1%	3.7%	+7.2%
Fragrances–Women	2.9	3.8	+53.4
Mascaras	14.0	13.4	+12.7
Shadows	14.2	12.4	+3.1
Liners	4.0	5.1	+51.3
All Other Eye Makeups	3.2	3.0	+9.3
Face Makeups	21.2	22.5	+25.0
Lipsticks	14.3	13.8	+13.6
Nail Polishes	10.9	11.4	+23.0
Nail Polish Removers	7.3	6.7	+8.1
All Other Nail Care	3.9	4.2	+24.9
Total Cosmetics (% of Total HBA's)	**3.8**	**4.1**	**+17.7**
Total Health & Beauty Aids		**100.0%**	**+8.1**

Source: Towne-Oller & Associates

Hand Preparations Share Trends

By $ Volume	1st Qtr '84	1st Qtr '85	% Change
Aloe	10.0%	9.7%	+6.7%
Total Hand Preparations			**+9.5**
Total Health & Beauty Aids		**100.0%**	**+8.1**

Source: Towne-Oller & Associates

Revlon's biggest entry in this category is the new Ultima II treatment product, Pro-Collagen, which Carol Healy says has been a "major success" in the exchanges. (Collagen, a protein substance, is the ingredient many cosmetic companies are putting in upscale skin care products to treat dry, wrinkle-prone areas of the face, especially around the eyes and mouth.) According to Ms. Healy, it is the "biggest, biggest entry in all the cosmetic counters today."

Protective lip treatments also have become popular. Elizabeth Arden's premium-priced Lip-Fix Creme is a well-known high-priced entry. At AAFES the number-one selling HBA product (in all categories) is the lower-priced Chap Stick Lip Balm.

Color analysis for women is another trend affecting cosmetic marketing.

Color analysis which categorizes women into four color types or "seasons" is another trend affecting cosmetic marketing to military patrons.

Over the past year and a half, Revlon Government Sales has totally separated all its colors by seasons. A customer only has to mention which season she is, to receive a chart of every product Revlon makes in her colors. (In conjunction with this,

Pouring It On

According to Martin J. Friedman, editor of Dancer Fitzgerald Sample's *New Product News*, an industry monitor on new food and health products, 261 new HBA items were introduced to the market over the first six months of 1985. That rate is well above comparable figures covering the same periods of 1983 and 1984.

New HBA Products

Over 1st 6 mos.	Number Introduced
1985	261
1984	205
1983	174

Over Year	Number Introduced
1984	411
1983	362
1982	369

Revlon runs promotions where it hires color analysts to tell exchange customers which color seasons they are.)

This is done strictly in the military, according to Carol Healy; Revlon's civilian customers don't yet have this service.

In the vitamin category, which the Air Force Commissary Service (AFCOMS) singled out as one of its biggest HBA growth areas this year, the "rage" now is for oyster shell calcium supplements, according to Bundy Vitamin Co. president Gordon Bundy. The trend is evidently fueled by an increasing understanding of calcium's role in preventing osteoporosis.

One trend that seems *not* to have fully emerged, either in the civilian or military markets, is sales of specialty cosmetics and skin care products for men. "Boy George may use cosmetics but the American male does not," quipped Salomon Brothers' analyst Temple.

She believes men more commonly use products purchased primarily by women. For example, 52 percent of men report using hand lotion regularly, although there are no brands specifically for men.

Advertising And Promotion

Introducing a new HBA product today can mean high costs, high risks, or heavy losses. Competition is forcing advertising budgets to equal or even exceed projected first year sales for some fragrance and cosmetics products, for instance.

Military sales directors say the most effective promotions for HBA products in commissaries and exchanges are the familiar standbys—coupons, voluntary price reductions (VPRs), and print media ads and coupons in military publications.

The military has little inclination to stock any but the best-selling lines.

Although these are standard-fare approaches, companies are pouring money into them. "We're spending more aggressively than ever before in our military advertising and promotions," a military sales director from a major HBA company admitted.

Standard or not, these promotions to the military can have their frustrating moments for some. One military sales manager complained that when he gives VPRs to ex-

Deodorants Share Trends

By $ Volume	1st Qtr '84	1st Qtr '85	% Change
Anti-Perspirant Aerosol	17.6%	17.0%	0%
Deodorant—Aerosol	11.0	8.8	−16.9
Powder—Aerosol	3.5	3.4	+0.5
Aerosol Subtotal	**32.1**	**29.2**	**−5.7**
Roll-Ons	29.1	29.0	+29.0
Sticks	35.9	39.3	+13.2
Creams	2.2	2.0	−5.5
Pump Sprays	0.5	0.3	−34.5
Pads	0.1	0.1	−10.4
Squeeze Sprays	0	0	+6.1
Non-Aerosol Subtotal	**67.9**	**70.8**	**+7.9**
Total Deodorants		**100.0%**	**+3.5**

Source: Towne-Oller & Associates

Hair Care Share Trends

By $ Volume	1st Qtr '84	1st Qtr '85	% Change
Ethnic Hair Preps	4.2%	4.0%	+1.8%
Hair Coloring Products	6.3	5.8	−1.3
Hair Conditioners & Rinses	17.3	16.9	+3.0
Hair Dressing—Women	0.4	0.4	−0.5
Hair Preparations—Men	4.0	3.8	+2.9
Hair Sprays	15.0	15.2	+7.6
Hair Styling Products	2.1	5.9	+197.3
Permanent Wave Kits	1.6	1.5	−0.2
Shampoos	49.1	46.3	−0.2
Total Hair Care (% of Total HBA's)	**17.7**	**17.3**	**+5.8**
Total Health & Beauty Aids		**100.0%**	**+8.1**

Source: Towne Oller & Associates

Antacids Share Trends

By $ Volume	1st Qtr '84	1st Qtr '85	% Change
Liquids	49.9%	49.3%	+7.8%
Tablets	49.3	50.0	+10.6
Others (Gum, Granules)	0.9	0.8	−3.9
Total Antacids		**100.0%**	**+9.1**

Source: Towne-Oller & Associates

Shaving Needs Share Trends

By $ Volume	1st Qtr '84	1st Qtr '85	% Change
Shave Preps–Aerosol	21.8%	19.7%	−9.2%
Shave Preps–After	9.2	9.5	+3.9
Shave Preps–Pre	1.7	1.7	+0.1
Shave Preps–Tubes–Cups	0.6	1.7	+203.4
Razor Rack	66.7	67.4	+1.4
Total Shaving Needs (% Total HBA's)	**5.9**	**5.5**	**+0.4**
Total Health & Beauty Aids		**100.0%**	**+8.1**

Source: Towne-Oller & Associates

Skin Care Share Trends

By $ Volume	1st Qtr '84	1st Qtr '85	% Change
Face Creams & Lotions	29.5%	27.4%	−0.5%
Acne Preparations	20.1	19.7	+4.5
Hand Lotions	35.4	35.9	+8.6
Hand Creams	1.9	2.3	+25.0
Baby Lotions	3.5	3.0	−6.5
Specialty Soaps	3.6	3.9	+15.9
Suntan/Sunscreen Products	5.9	7.8	+40.3
Total Skin Care (% of Total HBA's)	**5.5**	**5.5**	**+7.1**
Total Health & Beauty Aids		**100.0%**	**+8.1**

Source: Towne-Oller & Associates

Oral Hygiene Share Trends

By $ Volume	1st Qtr '84	1st Qtr '85	% Change
Breath Fresheners	1.0%	1.0%	+11.4%
Dental Floss & Tape	2.1	2.1	+12.7
Dentifrices	51.9	53.5	+13.5
Denture Adhesives	4.6	4.2	+2.5
Denture Cleansers	5.9	5.2	−2.2
Lip Medications	2.9	3.0	+13.1
Mouthwashes	21.2	20.9	+8.6
Toothache & Teething Remedies	1.3	1.4	+17.8
Toothbrushes	9.2	8.6	+2.0
Total Oral Hygiene (% of Total HBA's)	**14.3**	**14.6**	**+10.0**
Total Health & Beauty Aids		**100.0%**	**+8.1**

Source: Towne-Oller & Associates

changes, "They'll run them for three or four days and then put the prices back up to regular price, even though they've taken in maybe three months' supply." Civilian outlets, in contrast, run their promotional prices until the product sells out.

Because of limited space, it is also difficult to get any kind of specialized in-store merchandising fixtures for HBA products in the exchanges, except for sunglasses, which AAFES allows to be displayed on vendor-supplied racks.

AAFES does care about HBA promotions, though, since it gleans 8.1 percent

Low prices in military stores continue to be a drawing card.

of its total sales from the category. An AAFES spokesman explained, "Competition in HBA items with major discounters is so important that AAFES regularly reviews and revises its key products to stay competitive. And all these items are included in the 'Extra Value' program."

AAFES is also said to be considering letting its five individual regions have more discretion in making one-time buys and in-store promotions without authorization from headquarters in Dallas.

But if you're looking for special point-of-purchase displays for your HBA products, you'll probably do better at the commissaries. Johnson Products Company, for instance, is joining with about three other ethnic hair care companies in setting up a planogram approved for use by both Army and Air Force commissaries. It's coming in on an introductory basis with about 40 products and will include those of additional firms later.

Ongoing specialty promotions to the military include efforts like Colgate Palmolive's "Best Buys on Base" promotions twice a year, plus themed "Cute Kid" and Superbowl contests. Revlon relies heavily on educational promotions. For example, it brings beauty advisers on base to hold clinics where customers can learn firsthand how to use the product.

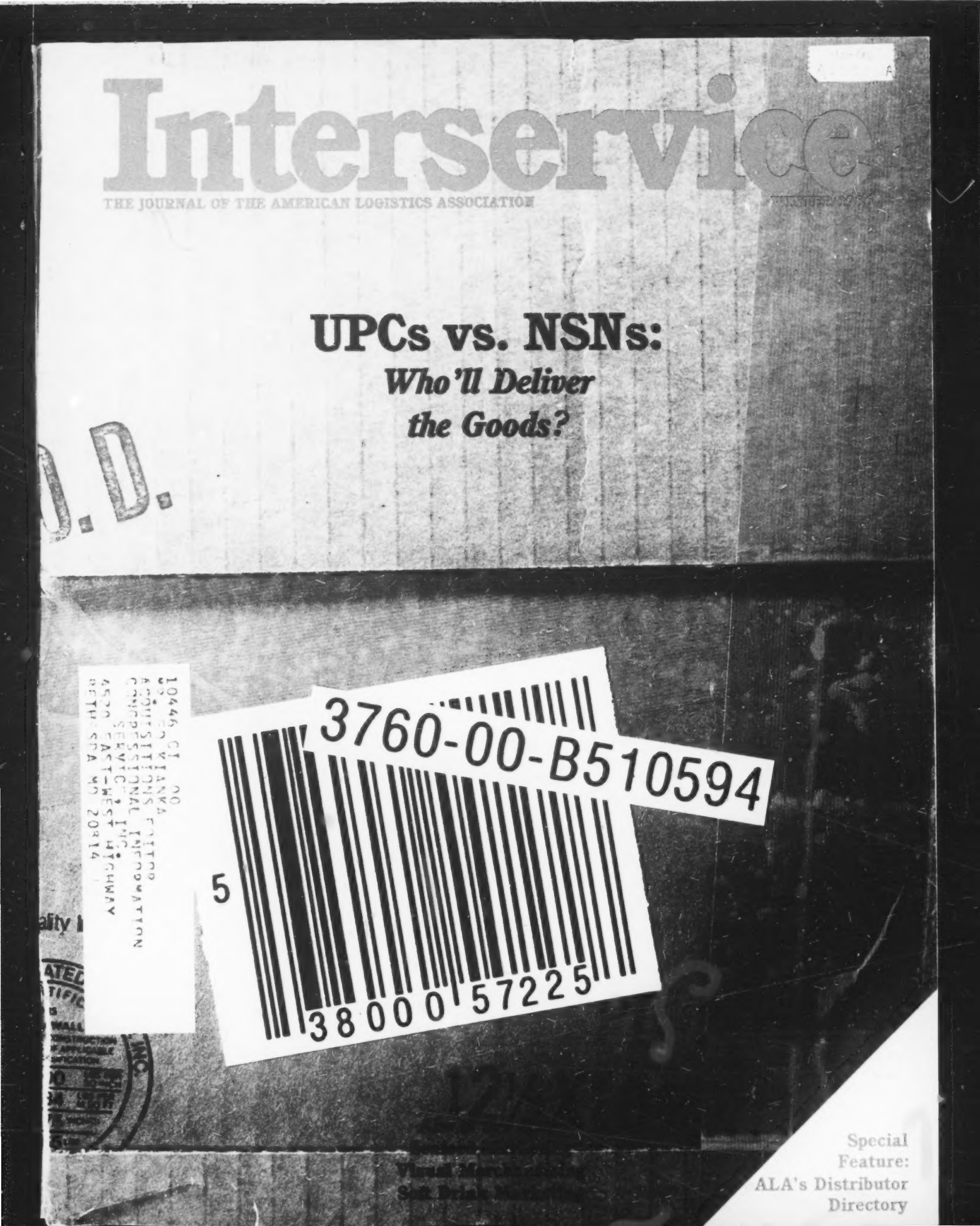
HBA manufacturers plainly have a good customer in military resale outlets. Said one cautious HBA executive, who was clearly guarding his turf: "I don't *want* to say in an article how much we sell to the military. Every time that happens, the next morning you get ten companies who say, 'The military's where I want to be.'" ■

Interservice

THE JOURNAL OF THE AMERICAN LOGISTICS ASSOCIATION

UPCs vs. NSNs:

Who'll Deliver the Goods?



Special Feature: ALA's Distributor Directory

PUBLISHED BY THE AMERICAN LOGISTICS ASSOCIATION

Interservice

THE QUARTERLY JOURNAL FOR THE INTERNATIONAL AND MILITARY MARKETING PROFESSION

PUBLISHER AND EXECUTIVE VICE PRESIDENT
A. Kolbet Schrichte
DEPUTY EXECUTIVE VICE PRESIDENT
Paul Pierpoint
DIRECTOR OF COMMUNICATIONS AND PUBLISHING
Ann Lowell Allen
DIRECTOR OF INFORMATION AND RESEARCH/EDITOR, *INTERSERVICE*
Alan Goldstein
ADVERTISING SALES MANAGER
Judith Korn Oppenheimer
CONFERENCES MANAGER
Barbara Vogt
EDUCATION AND TRAINING MANAGER
Carol Bok
MANAGEMENT INFORMATION SYSTEMS
Gregory Gilbert
REGISTRAR
Phil Mendelson
EXECUTIVE SECRETARY
Peg Carey
MEETINGS SECRETARY
Susan Wood
PUBLICATIONS COORDINATOR
Helen Frazer
MEMBERSHIP COORDINATOR
Lori Ulrich
ADMINISTRATIVE ASSISTANT
Tonya A. Young
ACCOUNTING
Joe D'Ambrosia
ART DIRECTOR
Burkey Belser, Inc.

Interservice (ISSN 0273-7485) Published quarterly by the American Logistics Association, 1133 Fifteenth Street, N.W., Suite 500, Washington, D.C. 20005. Telephone: (202) 466-2520. Telex: 6502459439. Second-class postage paid at Washington, D.C. and additional mailing offices. Statements of fact and opinion are the responsibility of the authors alone and are not necessarily those of the ALA. Unsolicited manuscripts should contain a self-addressed envelope. Responsibility is not assumed for the return of unsolicited material. Copyright © 1986 by the American Logistics Association. Materials may not be reproduced by any means without written permission from the Association.

Subscription rate for members is $20, which is included in the dues. U.S. subscription rate to non-members: $20, one year; foreign subscribers add $5. Single copies (current year): $10 (U.S.); $15 (foreign). Back copies: $15 (U.S.); $20 (foreign). Subscribers are requested to notify promptly of any address change. Advertising rates on application. POSTMASTER: Send address changes to American Logistics Association, 1133 Fifteenth Street, N.W., Suite 500, Washington, D.C. 20005.

Printed in the U.S.A. by Byrd Press, Richmond, VA. Graphic design and production by Burkey Belser, Inc., Washington, D.C.

VOLUME 6, NUMBER 1 WINTER 1986

EDITORIAL

ALA VIEWPOINT
BY A. KOLBET SCHRICHTE 11

DISTRIBUTION AUTOMATION & MANAGEMENT

UPCs Vs. NSNs: WHO'LL DELIVER THE GOODS?
BY KATHY BOYLE
While the military marks time, UPCs mark the future. 28

VISUAL MERCHANDISING

THE SIZZLE THAT SELLS
BY SANDY EVANS
Exchanges prove selling is more than meets the eye. 34

COMMISSARY OPERATIONS & MANAGEMENT

WHAT'S IN STORE AT AFCOMS
BY MARIE KRAKOW
Decentralization means new ways for old business. 40

SOFT DRINK MARKETING

BEYOND THE BEVERAGES BATTLEFRONT
BY MARTY WESTERMAN
Soft drink sales trends are being reshaped. 49

FISH & SEAFOOD MARKETING

THE BIG CATCH
BY JOE COLEMAN
Increased fish consumption casts a shadow on meat. 64

SPECIAL SECTION

FACTS & FIGURES

ALA'S DISTRIBUTOR DIRECTORY
A one-of-a-kind business-to-business information resource. 69

DEPARTMENTS

COVER ILLUSTRATION BY YAEL GEN

What's Breaking... 12
The Acronym Blizzard 21
The Association 24
Professional Meetings Calendar 22
The Supply Bulletin Index 104

The Big Catch

Why fish is winning consumers and what the military is doing to promote it

BY JOE COLEMAN

Try this for a fish story: You are sitting with Steven Susnjar, Military Sales Manager for Singleton Seafood Company, in his office in Tampa, FL. Hurricane Elena has just changed from a northwest to southeast direction toward Tampa, all the boats have been brought in from the Gulf, Steve's phones are constantly ringing, vice presidents of the firm drop by unexpectedly, and Steve tells you that he's been so damn busy the past few months that he hasn't had time to get a haircut. "I don't care what happens," he tells his secretary, "I don't care who is calling. I want time for a haircut."

A few miles away, Roger Anderson, momentarily the Executive Director of the Gulf South Atlantic Fisheries Development Foundation, Inc., has a topper. He's just quit his job to become a partner in Cox's Wholesale Seafood, he hasn't even had a chance to get to his new quarters and find a replacement for his present job, and he's received an attractive buyout offer. He could make a mint and retire at an early age. But he won't. "It's not just the money," he says, "it's the opportunity to work and accomplish something. You can buy a firm, but you can't always buy the people."

Joe Coleman is a Washington, D.C.-based freelance writer and author who has written several popular books published by the William Morrow Publishing Company.

Some Big Fish

Anderson says that as Executive Director of the Foundation, he would receive constant inquiries from food companies in Fortune's Top 500 as to what fish wholesalers and suppliers in the Gulf Area were available. "Take a look at these business cards," he says, "they are all from the *big* ones."

Of course, Anderson is referring to companies like Weyerhaeuser, General Mills, W.R. Grace, Zapata, and Pillsbury.

And it becomes clear that the big ones are going after the big catch: a much larger fish market with the military a prime and receptive target.

Take Singleton Seafood Company, the largest processor of shrimp in the United States, with catfish and flounder as added items. It's been purchased by ConAgra, a large food conglomerate in Omaha, NE.

Right now Singleton is test marketing a whole series of upscale new products called

Golden Fleet in Los Angeles, Baltimore-Washington, Dallas, and Miami. When the products make their entrance, they'll have movie star Danny Thomas singing their virtues. Singleton's catfish don't have Danny Thomas, but they seem to be doing all right by themselves, at a present rate of 200 million pounds a year and growing at a 20 percent compound rate per year.

All this keeps Steven Susnjar busy as he travels from commissary to commissary explaining Singleton's new products and new developments. It's the main reason why he has a hard time finding the time to get a haircut.

Or take Van de Kamp's Frozen Foods. It has recently been bought out by Pillsbury, which seems to have been a smart move. Van de Kamp's Light Fillets and Today's Catch are helping to make Van de Kamp's the fastest growing fish company in the United States, and third in terms of volume only to Mrs. Paul's and Gorton's.

Pillsbury's Fred Eddowes, Director of Sales for Special Markets, says the secret to Van de Kamp's growth is that the fish is filleted and frozen on site. "It's fresher than fresh fish," he says.

Talk to other seafood marketers and you'll hear about more frenzied activity, such as the ten new huge catcher-processor ships that will travel up and down the east coast this spring catching and freezing anywhere from 40 to 50 metric tons of fish a day.

Hush, Hush...

Who's buying the boats? That's a question east coast boat builders duck. It's confidential; it's secret.

What's going on, the experts say, is simply this: though U.S. consumption of fishery products set a record 13.6 pounds of edible meat per person last year, market growth has been seriously hampered by what has been a "cottage" industry with small and independent units, fishermen, wholesalers, distributors and suppliers.

Market growth has been hampered, too, by a lack of consumer education and information. Organization and promotion can reduce or eliminate these barriers, and with a great wealth of scientific data propounding the health benefits of fish, the market can be vastly expanded from present levels.

The experts say that the fish industry is today where the chicken industry was 25 years or so ago: thousands of independent barnyard operations. Modern chicken production is highly centralized, with a dozen or so corporations managing highly efficient chicken factories. And chicken consumption has grown steadily upward each year for the past two decades.

The Big Climb

"'We have to face the harsh *reality* that the collapse in consumer taste for beef is permanent, and the beef industry is having to adjust to that low level of demand,' says Raymond Daniel, an economist at Chase Econometrics, of Bala-Cynwyd, PA. 'It's a declining industry, and the only question is how far it will decline.'" —*Wall Street Journal*, August 28, 1985.

"Despite the fact that we're experiencing the best economic climate we've seen in years, our industry is plagued by lagging consumer demand, flat rates and reduced earnings. Our earnings have dropped 20 percent ($100 million) in the past five years. And our net worth stopped growing. We must—and I believe we are—responding to these challenges." —C. Manly Molpus, President, American Meat Institute, in remarks to the Meat and Poultry Association of Hawaii, June 29, 1985.

As the above remarks indicate, these are not the best of times for the beef industry. According to the Agriculture Department, beef consumption peaked at 94.4 pounds per capita in 1976, and this year it will decline to about 76.5 pounds.

Still, advises Jen Knutson, American Meat Institute (AMI) economist, the figures aren't as bad as they appear: the beef industry works in cycles, peaks and valleys.

They are now in the valley, and they are doing their best to climb out, counting on good promotional materials, new products and other innovations to lead the way.

The sparkplug behind the AMI's promotional thrust is Sara Lilygren, AMI's manager of public relations.

The beef industry she says, is caught in a momentary culture trap: "What's light and white is in." Lilygren wants to turn that around to "what is red and lean is in" and, to do that, she has helped prepare volumes of materials for consumers, supermarkets, commissaries, and AMI members.

Reading these materials, you can find out all about National Meat Week, January 26–February 1, 1986, the economics of meat, meat facts, nutrifacts, and myths about meat.

Lilygren concedes that the beef industry is caught in a dilemma: Americans were brought up believing that the greater the fat, the better the taste. They still believe that at restaurants, where most prime cuts are delivered. But it's another story at supermarkets and commissaries, where lean but less tastier meats are constantly promoted and purchased.

The way out of the dilemma and the valley, she says, is new product development, and she talks about new product entries by Armour, Oscar Mayer, George Hormel, and Monfort of Colorado. She says that packaging of brand names on meat products should make consumers more aware of quality meat products.

The problem is that in new product entries, beef offerings fall far behind chicken and fish.

"We're probably lagging behind," she says, "but we're sure working like hell to catch up."

And she says that baby boomers, those born between 1947 and 1965, will help the industry catch up. A new AMI survey shows baby boomers are not as health conscious as their parents, not as concerned about health fads, and are more relaxed about life in general.

That comes as good news to the meat industry as it prepares for its big climb. —J.C.

DPSC's 1984 Fish Purchases

Total: $30 million

Categories	*$Value*	*Pounds*
Breaded Shrimp	8,658,731	2,540,487
Lobster Tails	6,879,350	794,904
Shrimp	6,016,660	938,930
Perch/Fillet	3,376,232	1,496,848
Fish Portions (Perch/Haddock)	1,917,618	2,021,000
Flounder/Fillet	1,798,326	700,000
Cod/Haddock Portions	1,636,843	1,161,690
Scallops (raw)	1,553,391	261,700
Oysters	1,246,069	303,653
Fish Portions	846,182	370,900

Anderson and Susnjar, for instance, say that within a very short period of time, the present fish market won't be recognized. "We'll be integrated vertically and horizontally, and we won't just have Dan Rather selling fish anymore," Anderson says. He explains that the best promotional efforts for the fish industry thus far have been national newscasts (see insert story, *What The Scientists Say*) announcing scientific studies about the health benefits of fish.

Soon, Anderson predicts, the American consumer will be able to buy any kind of fish anytime of the year, and there will be a host of personalities selling and explaining how to buy and prepare fish.

The lure of a larger fish market is attractive to private supermarkets because their average margin is about 35 percent, compared to declining margins of under 20 percent for beef.

The military market is much different, of course, but it has two built-in advantages the supermarkets don't have: more knowledgeable fish buying patrons, and an institution that actively promotes fish for all its health benefits.

For instance, one of the problems Fred Eddowes of Pillsbury has with the civilian market is that the average consumer doesn't know much about fish. "They get flounder and sole confused, and they are not sure how to prepare it," he says. "The military," he says, "know fish and are receptive to new ideas."

Just *how* receptive is something Vaughan Clark, Director of Military Sales for Galletti Brothers Foods in Los Angeles, explains: "the military are more sophisticated. They have traveled all over, and have seen and tasted various types of fish." Galletti's sales to the military prove the point: Milk fish from the Philippines, White Sardines from Portugal, Roughy from New Zealand, Timpura, an Oriental seafood dish, and various forms of surimi—a sophisticated menu if there ever was one. Clark says Galletti's sales to west coast commissaries are headed nicely in an upward direction. "Everyone wants our in-store demos," he says.

New Fish Sections

If there's a love affair on the west coast with fish, there's a romance budding on the east. Chet Boutelle, Chief of the headquarters Merchandising and Marketing Branch of the U.S. Army Troop Support Agency (TSA), states that new fresh fish sections are being rapidly introduced into the Army's commissaries. Already there are nine in TSA's Southeast Region, twelve that are "up and running" in the Northeast Region, and, in the Midwest, traditionally a poor market for fresh fish, TSA has two. "We in the military," Boutelle says, "are in tune with light, lean meals."

Air Force commissaries haven't noticed any appreciable shift in demand for fish, says Mike Domitrovich, Jr., headquarters Meat Merchandising Specialist at the Air Force Commissary Service. According to Domitrovich, AFCOMS has a watchful eye on a new fresh fish section in the Randolph AFB commissary in San Antonio, Texas.

Over on the Navy side, it's better. Although he has no official statistics, Clyde Chafin, Meat Department Specialist at Navy's Norfolk Commissary Division, says that "we're selling more fish than ever before. We use all we can get." It's not unusual, he says, for the Navy's area commissaries with fresh fish sections to sell 1,000 pounds of fresh fish a day.

Certainly helping to motivate the excellent reception given fish vendors are the government's institutional purchases for troop mess halls and other military and civil agency activities. Sal Camilari, Fish Procurement Officer in the Contracting and Production Division at the Defense Personnel Support Center's Philadelphia, PA, headquarters, states flatly that the Center is actively pushing fish. "It's the most important form of protein we can get," Camilari claims.

According to the DPSC's Army Major Joseph DeLuca, Chief of the Meat and Seafoods Branch, the Center's present purchases are 5 to 6 percent over the $30 million worth of seafood bought in 1984. (See table for a breakdown of purchases by category.)

The fish program, Major DeLuca says, has been a great success. "We have many new supplements coming in, and we are aggressively seeking new suppliers."

Still, for all the enthusiasm and excellent reception, practical problems remain. To a man, fish vendors complain about old-style commissaries that have sharp limitations in the frozen areas reserved for meat and fish. "Right now we can get only three to four items in a store, and we should be able to get at least seven," says Pillsbury's Fred Eddowes.

On the military side, the biggest problem appears to be in educating the new military consumers who haven't had the opportunity to travel and experience new fish offerings. The Navy's Clyde Chafin says that putting recipes on the labels has been a good merchandising tactic. But he and his colleagues at the other services look for more information programs and better displays. "We need a good educational program to reach our younger people," states the Army's Chet Boutelle.

If all goes as well as fish industry experts predict, the military will have that and more. All accompanied by the glitter of television and entertainment stars galore giving educational lessons.

And that's no fish story. ■

What The Scientists Say About Fish

The *New England Journal of Medicine* is perhaps the most widely read medical publication by the news media. On May 9, 1985, the results of three major studies on the health benefits of fish were released.

The net result was massive news coverage: morning, prime time, late evening television shows, and page one in newspapers across the country.

Below is an abstract from one of the studies:

THE INVERSE RELATION BETWEEN FISH CONSUMPTION AND 20-YEAR MORTALITY FROM CORONARY HEART DISEASE

Dan Kromhout, Ph.D., M.P.H., Edward B. Bosschieter, M.D., and Cor de Lezenne Coulander, M.Sc.

Abstract: The low death rate from coronary heart disease among the Greenland Eskimos has been ascribed to their high fish consumption. We therefore decided to investigate the relation between fish consumption and coronary heart disease in a group of men in the town of Zutphen, the Netherlands. Information about the fish consumption of 852 middle-aged men without coronary heart disease was collected in 1960 by a careful dietary history obtained from the participants and their wives. During 20 years of follow-up 78 men died from coronary heart disease. An inverse dose-response relation was observed between fish consumption in 1960 and death from coronary heart disease during 20 years of follow-up. This relation persisted after multiple logistic-regression analyses. Mortality from coronary heart disease was more than 50 percent lower among those who consumed at least 30 grams of fish per day than among those who did not eat fish.

We conclude that the consumption of as little as one or two fish dishes per week may be of preventive value in relation to coronary heart disease. (N Engl J Med 1985; 312:1205-9.)

A

AGS FOODS, INC.
P.O. Box 87
Calimesa, CA 92320
(714) 795-4061

Key Contacts:
Pat Amistadi, President; Martha Amistadi, Treasurer; Wendell Duke, Vice President; Roy Simpson, Vice President

Special Services/Capabilities:
specialists in delicatessen programs offering all aspects of management personnel and the know-how to run a full-service delicatessen

AMERICAN PACIFIC TRANSPORT COMPANY
2636 Waiwai Loop
Honolulu, HI 96819
(808) 836-1151

Key Contacts:
Robert E. Lewis, President; Craig P. Findeisen, Marketing Representative; Harry K. Yamada, Operations Manager; Miriam S. Zakahi, Vice President

ARK FOOD DISTRIBUTORS
2602 Durango Drive
Colorado Springs, CO 80910
(303) 687-9358

Key Contact:
James Watson, President

Products Distributed:
beverages, dry grocery

ART DYKSTRA SALES, INC.
5575 Logan
Denver, CO 80216
(303) 296-8542

Key Contacts:
Ron Waits, Vice President & Sales Manager—Refrigerated; Ole Olson, Sales Manager—Dry Grocery; Art Dykstra, President

Ownership:
corporation

Established:
1965

Products Distributed:
dry grocery, health & dietetic, packaged meat & cheese, bulk deli meat & cheese

Warehouse Profile:
5,000 sq. ft. (dry grocery)
15,000 sq. ft. (frozen/chill)

Other Than Military Accounts:
retail grocery, food service

1982 Military Sales:
$2,700,000

Number Of Principals Represented:
85

Military Customers:
commissaries, troop subsistence activities

Military Locations Served:
USAF Academy, F.E. Warren AFB, Peterson Field, Lowry AFB, Ellsworth AFB, Ft. Carson, Fitzsimmons AMC Hospital

Capabilities/Special Services:
shelf stocking, store reset assistance, operation of complete deli in commissaries

ASSOCIATED GROCERS OF COLORADO
P.O. Box 5528 T.A.
Denver, CO 80217
(303) 367-7000

Key Contacts:
Wendell Pascoe, Director–Intransit Merchandise; Vern Nelms, Military Sales Manager–Denver; Dale Lowe, Military Sales Manager–Albuquerque

Branch Office:
Albuquerque, NM
(505) 345-1856

Ownership:
co-op

Established:
1935

Products Distributed:
dry grocery, frozen, produce, meat, HABA and non-foods

Warehouse Profile:
385,000 sq. ft. (dry grocery)
188,000 sq. ft. (frozen/chill)
120,000 sq. ft. (HABA/non-food)

Other Than Military Accounts:
retail supermarkets

Military Customers:
commissaries, exchanges, troop subsistence activities

Military Locations Served:
Ft. Carson, CO; Fitzsimmons AMC Hospital, CO; Peterson AFB, CO; Lowry AFB, CO; F.E. Warren AFB, WY; Cannon AFB, NM; Kirtland AFB, NM; Holloman AFB, NM; White Sands Proving Grounds, NM; Reese AFB, TX; and Ft. Bliss, TX

B

PAUL BAKER, INC.
8633 Lee Highway
Fairfax, VA 22031
(703) 560-1687

Key Contacts:
Alfred M. Palmer, President; Iver J. Olsen, Executive Vice President; William Wolfe, Vice President

Ownership:
close corporation

Established:
1953

Products Distributed:
snack foods

Warehouse Profile:
8,000 sq. ft. (dry grocery)

Other Than Military Accounts:
retail restaurants

Military Customers:
commissaries

Military Locations Served:
Washington, D.C. metropolitan area

Capabilities/Special Services:
shelf stocking

B. GREEN & COMPANY, INC.
3601 Washington Boulevard
Baltimore, MD 21227
(301) 247-8300

Key Contacts:
Bernard Green, President; Hannah Green, Military Liaison; Walter Wolfel, Director—Military Sales; David Green, Vice President—Military

Branch Offices:
Dunn, NC
(919) 892-1164

Norfolk, VA
(804) 853-0833

Orlando, FL
(305) 859-2481

Ownership:
private corporation

Established:
1915

Products Distributed:
dry grocery, chill, frozen foods, dairies, meats, deli bake off, ice cream

Warehouse Profile:
700,000 sq. ft. (dry grocery)
125,000 sq. ft. (perishables)

Other Than Military Accounts:
retail grocery

Number Of Principals Represented:
145

Military Customers:
commissaries, exchanges, ships afloat

Military Locations Served:
all military installations from Long Island, NY, to Key West, FL, inclusive of AL, on a once a week delivery schedule

Capabilities/Special Services:
shelf stocking, MSI ordering available, source loading, export labeling, documentation capabilities

Reports Available To Principals:
monthly movement reports by base, by vendor and by item; service level reports

Further Information:
complete brochure available upon request

BERLINER FOODS CORPORATION, INC.
7820 Cessna Avenue
Gaithersburg, MD 20879
(301) 258-0600

Key Contacts:
Jim Moran, Mitch Berliner

Products Distributed:
frozen

Military Locations Served:
Mid-Atlantic Region

BLUEBIRD DISTRIBUTING COMPANY
1554-A Juliesse Avenue
Sacramento, CA 95813
(916) 920-4643

Key Contacts:
Gordon "Rex" Rechcygl, Military Sales Manager; William E. DeFord, Owner

Ownership:
private

Established:
1971

Products Distributed:
dry grocery

Warehouse Profile:
14,500 sq. ft. (dry grocery)

Other Than Military Accounts:
retail grocery, retail liquor stores

Number Of Principals Represented:
10

Military Customers:
commissaries

Military Locations Served:
Central Valley and Northern California

Capabilities/Special Services:
limited service distributing to include shelf stocking and display building

Reports Available To Principals:
promotion impact reports, annual recap reports

Further Information:
brochure describing services available upon request

BOUDREAUX DISTRIBUTING COMPANY
220 North 47th Avenue
Phoenix, AZ 85043
(602) 269-5786

Key Contacts:
Pat Boudreaux, Owner and President; Donna Boudreaux, Vice-President; Mary Ann McLaughlin, Office Manager

Ownership:
private

Established:
1976

Products Distributed:
dry grocery, chill, frozen

Warehouse Profile:
20,000 sq. ft. (dry grocery)
2,600 sq. ft. (chill)
6,400 sq. ft. (frozen)

Other Than Military Accounts:
none

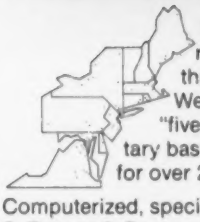
Number Of Principals Represented:
73 (plus BPAs)

Military Customers:
commissaries, exchanges, troop subsistence activities

Military Locations Served:
AFCOMS Southwest Complex (to include Luke AFB, AZ; Williams AFB, AZ; Davis-Monthan AFB, AZ); ARMY (TSA): Ft. Huachuca, AZ; Yuma Proving Grounds, AZ; MARINES: MCAS Yuma, AZ

Capabilities/Special Services:
shelf stocking, display building, store reset assistance and flexible delivery programs tailored to meet the unique needs of military commissaries

HOW DOES THE MILITARY RATE S. PRAWER & COMPANY?



No supplier gets a higher rating from the military than we do. And no wonder. We've been providing reliable "five star" delivery to 55 military bases from Maine to Virginia for over 25 years.

Computerized, specialized, experienced. That's S. Prawer & Co.

Call Lou Janson or Gilbert Prawer today. We're committed. And we're ready to take command. On the East Coast, to Panama or overseas.

S Prawer&co.

Dry groceries • refrigerated goods • dairy • meats • deli items • chilled • beverages • health & beauty aids

P.O. Box 1400 150 Read St., Portland, ME 04104
(207)775-0223 1-800/445-6900

"★★★★★"

Further Information:
brochures available upon request

BURKE DISTRIBUTING CO., INC.
P.O. Box 98748
Tacoma, WA 98498
(206) 922-2992

Key Contacts:
Kelly Burke, President; Kevin Burke, Vice President

Ownership:
close corporation

Established:
1981

Warehouse Profile:
15,000 sq. ft. (dry grocery)
5,000 sq. ft. (frozen/chill)

Other Than Military Accounts:
none

Number Of Principals Represented:
50

Military Customers:
commissaries, exchanges

Military Locations Served:
Pacific Northwest & Alaska; McChord AFB; Fairchild AFB; Malmstrom AFB; Mt. Home AFB; Hill AFB; Ft. Lewis; Dugway Proving Grounds; Sandpoint NAS; GSA–Auburn; Bremerton NSY; Bangor NSB; Whidbey Island NAS; Elmendorf AFB; Eielson AFB; Ft. Richardson; Ft. Wainwright; Ft. Greeley

Capabilities/Special Services:
shelf stocking, order writing

Reports Available To Principals:
monthly inventory activity reports, service level reports, any requested sales and placement information

Further Information:
brochure available upon request

C

C & S WHOLESALE GROCERS, INC.
Ferry Road
Brattleboro, VT 05031
(802) 257-4371

Toll Free Telephone:
(800) 451-4195

Key Contacts:
Lester Cohen, President; Kathey Halvey, Military Coordinator; Deborah Reffi, Customer Service

Ownership:
close corporation

Established:
1918

Products Distributed:
dry grocery, chill, frozen, candy, tobacco, meat, HABA, store supplies

Warehouse Profile:
240,000 sq. ft. (dry grocery)
61,000 sq. ft. (frozen/chill)

Other Than Military Accounts:
retail grocery

1983 Military Sales:
$7,300,000

Number Of Principals Represented:
70

Military Customers:
commisaries, exchanges, troop subsistence activities

Military Locations Served:
CONNECTICUT: New London NSB; MAINE: Bangor IA; Brunswick NAS; Loring AFB; MASSACHUSETTS: Ft. Devens, Hanscom AFB; Otis NAFA, Westover; NEW HAMPSHIRE: Pease AFB; NEW YORK: Ft. Drum; Griffiss AFB; Plattsburgh AFB; Scotia NAU; Seneca Depot; Stewart Airfield; USMA West Point; RHODE ISLAND: Davisville Exchange; Newport NETC

Capabilities/Special Services:
excellent communication with manufacturers, brokers and the military to assure complete and on-time deliveries, supported by shelf stocking, store reset assistance, export/source load/documentation capabilities

Reports Available To Principals:
computerized reports as needed

Further Information:
brochures available upon request

CALIFORNIA & WASHINGTON COMPANY
1575 Old Bayshore Highway
Burlingame, CA 94010
(415) 692-4520

Key Contacts:
Hermann J. Lehmann, Military Sales Manager

Products Distributed:
distributors of C & W frozen products

CALIFORNIA MILITARY DISTRIBUTORS, INC.
2929 Kansas Avenue
Riverside, CA 92507
(714) 781-1090

Key Contacts:
W.I. "Bill" Pope, President; L.B. "Larry" Chodzinski, Operations Manager

Ownership:
close corporation

Established:
1983

Products Distributed:
dry grocery, chill, frozen

Warehouse Profile:
38,000 sq. ft. (dry grocery)
33,000 cubic ft. (frozen/chill)

Number Of Principals Represented:
46

Military Customers:
commissaries, exchanges, troop subsistence activities

Military Locations Served:
AIR FORCE: Cal-Nev Complex; NAVY: Commissary Store Region San Diego; MARINES: West Coast Commissary Complex (except Yuma, AZ); ARMY: Ft. Irwin; also Navy, Marine, and AAFES exchanges

Capabilities/Special Services:
shelf stocking, display building, store reset assistance, export/source load/documentation, night deliveries

Reports Available To Principals:
weekly activity, monthly summary, distribution byline item/by store, quarterly, semi-annual, recap and inventories

Further Information:
brochures available upon request

CALIFORNIA PACIFIC ASSOCIATES
2131 19th Avenue
P.O. Box 16901
San Francisco, CA 94116
(415) 665-2650

Key Contacts:
Jack F. Pearse, Owner; Anna Toy, Director of Logistics

Branch Offices:
GUAM
(contact: James Cooper)
Tel.: 671-632-7211

HONOLULU, HI
(contact: M.A. Johnson)
(808) 373-4533

IWAKUNI, Japan
(contact: Larry Jones)
Tel.: 81-82-731-8952

OKINAWA, Japan
(contact: Regis Weingartner)
Tel.: 81-98-939-2479

YOKOHAMA, Japan
(contact: Bill Fox)
Tel.: 81-45-622-2009

PHILIPPINES
(contact: Don Abello)
Tel.: Cavite City 44050

Ownership:
private

Established:
1951

Products Distributed:
frozen meats, fish, poultry and assorted frozen food items; all types of chilled beef, cheeses, deli items, produce

Warehouse Profile:
12,000 sq. ft. (frozen/chill)

Other Than Military Accounts:
retail grocery, restaurants, hospitals, hotels, airlines, caterers, wholesale, institutional, retail supermarkets

1984 Military Sales:
$14,000,000

Number Of Principals Represented:
2 (plus additional 65 product lines handled as a principal; products listed with DPSC may be found under Supply Bulletin No. 600-038)

Military Customers:
commissaries, clubs, Navy food service/snack bars

Military Locations Served:
complete Pacific basin

Capabilities/Special Services:
unique combination of logistics with sales representation; services include source load and documentation, palletizing for export, in-store demonstrations, shelf stocking, sales and service representation

Further Information:
free brochure describing specific capabilities available upon request

C.B. RAGLAND COMPANY

2720 Eugenia Avenue
P.O. Box 40587
Nashville, TN 37204
(615) 259-4622

Toll Free Telephone:
(800) 251-3020 (from TN)
(800) 251-9495 (from KY)

Key Contact:
Peter Kahne, Director of Purchasing

Ownership:
private

Established:
1926

Products Distributed:
dry grocery, chill, frozen, HABA

Warehouse Profile:
210,000 sq. ft. (dry grocery)
60,000 sq. ft. (frozen/chill)

Other Than Military Accounts:
retail grocery

1982 Military Sales:
$10,000,000

Number Of Principals Represented:
55

Military Customers:
commissaries

Military Locations Served:
Ft. Campbell; Ft. Knox; Arnold AFB; Redstone Arsenal

Capabilities/Special Services:
multi-weekly deliveries

Reports Available To Principals:
computerized invoices upon request

C. FÖRSTER GmbH

P.O. Box 1451
6450 Hanau 1
West Germany
(06181) 81048 (6 lines)

Key Contacts:
C. Förster, President; J.H. Huehn, Director-General/Manager; F. Heintz, Sales Manager

Ownership:
corporation

Established:
1971

Products Distributed:
consumer audio/video, electronic and photographic products

Warehouse Profile:
17,000 sq. ft.

1984 Military Sales:
over $28 million

Number Of Principals Represented:
9

Military Customers:
AAFES-Europe exchanges; Navy exchanges in Europe; US Audio/Photo Clubs in Europe; other NATO forces stationed in Germany

Military Locations Served:
Germany; England; Belgium; Holland; Iceland; Italy; Greece; Turkey; Spain

Capabilities/Special Services:
warehousing (bonded warehouse), distribution with own carriers, extensive technical service (warranty repair services: Audio-TV-Video-Photo), training facilities, extensive international sales network

CHADWICK DISTRIBUTING, INC.

4930-B Jefferson NE
Albuquerque, NM 87109
(505) 884-2025

Key Contact:
Bill S. Chadwick, President

Ownership:
corporation

Established:
1983

Products Distributed:
dry grocery, chill, frozen

Number Of Principals Represented:
15

Military Customers:
commissaries

Military Locations Served:
New Mexico and Texas including: Kirtland AFB, Holloman AFB, Cannon AFB, White Sands Missile Range, Ft. Bliss, Reese AFB

CHALMERS DISTRIBUTORS, INC.

9300 E. Billy The Kid Street
El Paso, TX 79907
(915) 858-1053

Key Contact:
Darrell Chalmers, President

Ownership:
corporation

Established:
1980

Products Distributed:
dry grocery, chill, frozen

Warehouse Profile:
27,500 sq. ft. (dry grocery)
2,500 sq. ft. (frozen/chill)

Other Than Military Accounts:
none

CORE-MARK DISTRIBUTORS, INC.

353 Meyer Circle
Corona, CA 91720
(714) 736-1591

Key Contacts:
Gordon Cramer, Account Executive—Military Contracts; Ron Kentish, Commodity Manager; Bob Umphress, Manager—Corporate Accounts

Ownership:
division of Core-Mark International

Established:
previously Glaser Brothers established 1888

Products Distributed:
cigarettes, tobacco, cigars, candy, grocery, HABAs, sundries, frozen foods, fast foods

Warehouse Profile:
105,000 sq. ft. (dry grocery)
850 sq. ft. (frozen chill)

Other Than Military Sales:
retail grocery, sub jobbers, cash & carries, hotels, gift shops, airports, hospitals

1983 Military Sales:
$8,743,000

Number Of Principals Represented:
1,134

Military Customers:
commissaries, exchanges, clubs, VA canteens, troop subsistence activities, food service/snack bars, ships' stores

Military Locations Served:
California, Oregon, Washington, Nevada, Utah, Idaho, Arizona

Capabilities/Special Services:
shelf stocking, display building, store reset assistance, export/source load/documentation capabilities

Further Information:
available upon request

CRESSEY DOCKHAM & COMPANY, INC.

1 Parade Place
Andover, MA 01810
(617) 682-6800

Key Contacts:
Sam Perruccio, Director—Sales & Marketing; Jim Oppenheim, President; Arthur Ansin, Executive Vice President; John DiBlasi, Inside Sales

Ownership:
close corporation

Established:
1908

Products Distributed:
dry grocery, chill, dairy, frozen/packaged meat, general merchandise

Warehouse Profile:
36,000 sq. ft. (concourse)
40,000 sq. ft. (holding area)
280,000 sq. ft. (dry grocery)
60,000 sq. ft. (frozen)
12,000 sq. ft. (candy)
62,000 sq. ft. (office/administration)

Other Than Military Accounts:
retail grocers, warehouse stores

Military Customers:
commissaries & exchanges

Military Locations Served:
all of New England and upstate New York

Capabilities/Special Services:
shelf stocking, store set up and reset, frequent delivery, packaging and supplies, scanning assistance, direct store delivery programs

Reports Available To Principals:
movement recap by item, by base, by vendor; service level report

D

D & H DISTRIBUTING, INC.

106 McNeil Street
Shreveport, LA 71101
(318) 222-3083

Key Contacts:
Bill Griffin, President; Ruth Griffin, Secretary/Treasurer

Ownership:
corporation

Established:
1979

Products Distributed:
dry grocery

Warehouse Profile:
20,000 sq. ft. (dry grocery)

1983 Military Sales:
$5,000,000

Number Of Principals Represented:
65

Military Customers:
commissaries & exchanges

Military Locations Served:
AFCOMS (Delta Complex): Barksdale AFB; England AFB; Little Rock AFB; Blytheville AFB; ARMY: Ft. Polk; NAVY: Memphis NAS

Capabilities/Special Services:
store reset assistance

Reports Available To Principals:
inventory control reports, activity reports

Further Information:
more information can be furnished as requested

F

FEDERATED MILITARY SALES CORPORATION

3025 W. Salt Creek Lane
Arlington Heights, IL 60005
(312) 577-1200

Toll Free Telephone:
(800) 323-6346

Key Contacts:
Michael C. Fuller, Senior Vice President—Sales; Charlie Palmgren, National Sales Director; Raymond Hafertepe, Accounting Officer

Branch Offices:
Exeter, NH
(603) 778-8504

Dallas, TX
(214) 387-1900

Atlanta, GA
(404) 448-0456

Sunnyvale, CA
(408) 737-1000

Ownership:
private

Established:
1920

Products Distributed:
dry grocery, chill, frozen, HABA

Other Than Military Accounts:
retail grocery, food service

Number Of Principals Served:
1700

Military Locations Served:
coast to coast

Reports Available To Principals:
monthly case and dollar sales reports

FLASH STEAK COMPANY, INC.

7959 Paramount Boulevard
Pico Rivera, CA 90660
(213) 949-2558

Key Contact:
Chris Sanchez

Products Distributed:
frozen, dry

Military Customers:
commissaries, exchanges

Military Locations Served:
Southern California

FLEMING COMPANIES, INC.

6301 Waterford Boulevard
(street zip: 73118)
Box 26647
Oklahoma City, OK 73126
(405) 841-8458

Key Contacts:
Bob Pitts, Senior Vice President—Procurement & Merchandising; Bob Shields, Manager—Military Sales (Fremont, CA); Joe Ratcliff, Manager of Merchandising (San Antonio, TX)

Branch Offices:
Fremont, CA
(415) 657-8900

San Antonio, TX
(512) 661-4561

Ownership:
corporation

Established:
1930

Products Distributed:
dry grocery, chill, frozen

Warehouse Profile:
Fremont, CA
575,000 sq. ft. (dry grocery)
60,000 sq. ft. (frozen/chill)

San Antonio, TX
325,000 sq. ft. (dry grocery)
30,000 sq. ft. (frozen/chill)

Number Of Principals Represented:
75

Military Customers:
commissaries and exchanges

Military Locations Served:
complete markets in relation to branch offices' distribution areas

Capabilities/Special Services:
varies by distribution office; further details available upon request

Reports Available To Principals:
movement reports and dead stock reports as required

Other Than Military Accounts:
retail grocery

Further Information:
brochures available upon request

FOOD SERVICE COMPANY

P.O. Box 4644
Pensacola, FL 32507
(904) 455-4360

Key Contacts:
Jim Evans, President; Ron Coggin, Business Manager; Jerry Thomas, Sales Supervisor; Allen Evans, Secretary-Treasurer

Ownership:
close corporation

Established:
1945

Products Distributed:
dry grocery, chill, frozen

Warehouse Profile:
20,000 sq. ft. (dry grocery)
6,000 sq. ft. (frozen/chill)

Other Than Military Accounts:
none

1982 Military Sales:
$5 million

Number Of Principals Represented:
30

Military Customers:
commissaries, exchanges

Military Locations Served:
AFCOMS Gulf Area Complex (Maxwell AFB); NAVRESSO Pensacola Region (Pensacola, FL)

Capabilities/Special Services:
store reset assistance, export (Pensacola port), source load/documentation

Reports Available To Principals:
monthly movement by vendor by store; monthly inventory reports

Further Information:
brochures available upon request

FRONT RANGE DISTRIBUTORS, INC.
735 Valley Street
Colorado Springs, CO 80915
(303) 574-2823

Key Contacts:
Rich Laraia, Vice President; Ethan Hokit, President

Ownership:
close corporation

Established:
1981

Products Distributed:
dry grocery, chill, frozen

Warehouse Profile:
11,000 sq. ft. (dry grocery)
4,000 sq. ft. (frozen/chill)

Other Than Military Accounts:
none

Number Of Principals Represented:
35

Military Customers:
commissaries

Military Locations Served:
AFCOMS Rocky Mountain Complex and TSA Midwest Region commissaries in Colorado and Wyoming

Capabilities/Special Services:
shelf stocking (of frequently delivered items), working with brokers to plan programs, assistance with display building, monitoring of competitive activities

Reports Available To Principals:
monthly case and dollar figures, year-to-date case and dollar figures

Further Information:
call or write for specific information

G

GOLDEN FOOD PRODUCTS
1031 44th Street
Newport News, VA 23647
(804) 244-0131

Key Contact:
Buddy Holzsweig, Vice President–Sales

Branch Office:
Richmond, VA
(804) 748-6394

Ownership:
private

Established:
1950

Products Distributed:
dry grocery

Warehouse Profile:
31,000 sq. ft. (dry grocery)

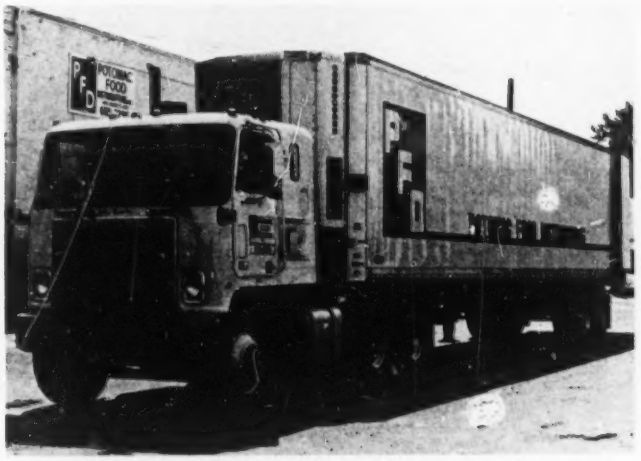
Other Than Military Accounts:
retail grocery

Number Of Principals Represented:
1 (plus BPA contracts)

Potomac Food Distributors

6021 Farrington Ave.
Alexandria, Virginia
22301
Telephone:
703-823-0400

G. (Wally) Cook, President



Quality service to our one and only customer- the military commissary

Serving Washington, D.C., Virginia, Maryland, Delaware, New Jersey and Pennsylvania

P F D